


**Market Facts**
**HKEx:** 3900

*\* As at 18 Sept 2008*
**Share Price:** HK\$3.55\*

**Range Since Debut:**

 Low: HK\$3.08 (18 Sept 2008)  
 High: HK\$19.72 (24 July 2007)

**Shares Outstanding:** 1,537M

**Market Cap:** HK\$5,458 M\*

**FYE:** 31 Dec

**Recommendation**

BUY	7	46.67%
HOLD	3	20.00%
SELL	5	33.33%

Total: 15 analysts

**Target Price Range:**

HK\$4.15 – HK\$14.50

## 2008 September Newsletter

### Pre-sale Overview

Greentown launched eight projects in August 2008. Wenzhou Lucheng Plaza and Qingdao Ideal City were launched to the market for the first time. The saleable area in August totaled 170,000 sqm with sales amounted to RMB3.6 billion (incl. contracts and agreements). Details of the newly launched projects are shown below:

Projects	Category	Units launched	GFA (sqm)	Sales rate (GFA)	Average Selling price (RMB/sqm)
Wenzhou Lucheng Plaza	fully fitted apartments	230	55,694	51%	43,166
Qingdao Ideal City	garden villa	218	28,301	74%	6,784
	luxury apartments	362	25,866	54%	5,723
Deqing Sweet Osmanthus Town	Retail shops	33	2,462	67%	5,558
Deqing Lily Apartment	Retail shops	34	1,933	97%	5,707
Hefei Sweet Osmanthus Garden	apartments	85	6,092	77%	5,343
Haining New Lily Town	villa	31	7,597	81%	16,492
Hangzhou New Green Garden	fully fitted apartments	264	12,430	57%	27,074
Hangzhou Taohuayuan West	villa	3	1,082	37%	36,050

As at 31 August 2008, Greentown recorded accumulated sales of RMB12.2 billion, accounting for 61% of 2008 sales target, of which RMB8.6 billion is attributable to the Company, representing an increase of 35% over the same period last year.

In addition, Greentown released 30 villas of Ling'an Qingshan Lake Rose Garden to the market on 6 September, of which 19 villas were sold on the first day launch. Sales amounted to RMB240 million at an average selling price of RMB20,000/sqm.

Haining New Lily Town Phase 2 released 196 units to the market on 7 September, of which 73 units were sold on the first day launch. Average selling price was RMB6,183/sqm.

The Company plans to launch a number of projects in Hangzhou, Zhejiang, Beijing, Shandong and Anhui in the coming two months namely Hangzhou Lijiang Apartment, Xinchang Rose Garden, Ningbo R&D Park, Beijing Lily Apartment, Hefei Yulan Apartment and Jinan National Games Project, etc.



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### Interim Results Highlights

Last week, Greentown announced the interim results for the six months ended 30 June 2008. The Group recorded revenue of RMB1,765 million. Gross profit margin was 36.3%. Profit attributable to equity holders amounted to approximately RMB341 million, representing an increase of 32% over the same period last year. Share of profits from associates and jointly controlled entities increased from RMB10 million to RMB 170 million.

### FAQ

#### **Recently, Moody's and Standard & Poor's downgraded Greentown's bond rating. What impact will this have on the Company?**

The credit agencies actually take more conservative view. The only reason for triggering the downgrade of our bonds was because the Company's secured debt to total assets ratio cannot be met with their expectations. Greentown's corporate rating remains unchanged and the agencies are satisfied with Greentown's operating and liquidity performances. In spite of volatile markets, the Company still achieved strong property pre-sales. As of 31 August 2008, Greentown registered sales of RMB12.2 billion. In addition, the good relationship with the banks has strengthened the Company's credit capabilities. Greentown will continue to adopt a cautious land acquisition policy and establish cooperative strategic partnerships to balance the financial risk. As at end of June 2008, only 20% of the total debt is due within 1 year.

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